# KENNETH E. HARDMAN

## ATTORNEY AT LAW

kenhardman@att.net

FACSIMILE: (202) 223-4040

## EX PARTE MEMORANDUM

July 1, 2005

Marlene H. Dortch, Secretary Federal Communications Commission 445 – 12<sup>th</sup> Street, S.W., Room TW-A325 Washington, DC 20554

Re: T-Mobile et al. Petition for Declaratory Ruling Regarding

Incumbent LEC Wireless Termination Tariffs, CC Docket No. 01-92

Owest Ex Parte Letter dated June 16, 2005

### Dear Ms. Dortch:

On May 31, 2005, the undersigned, on behalf of the American Association of Paging Carriers (AAPC), filed an *ex parte* memorandum reflecting the contents of a meeting on May 27, 2005 with members of the Commission's staff concerning AAPC's Petition for Reconsideration filed in CC Docket No. 01-92 and actions unilaterally taken by Qwest purportedly in response to the Commission's *T-Mobile* decision. Qwest has attempted to justify its actions in its *ex parte* letter dated June 16, 2005; and the purpose of this memorandum is to correct the record in light of Owest's letter.

Let's be clear from the outset that Qwest is simply using the *T-Mobile* decision as a pretext to continue its what can only be characterized as its campaign of Massive Resistance to Section 51.703(b) of the Commission's rules, 47 C.F.R. §51.703(b), and the Commission's subsequent *TSR Wireless* decision. Qwest professes that it faces a "conundrum" because it allegedly "has no authority *under state law* to give tariffed services away at a price other than the tariffed rate" while, at the same time, "Qwest was also bound by the terms of the Commission's *TSR Order* not to charge paging for certain services even though they appeared in a state tariff". (Emphasis partially added).

<sup>&</sup>lt;sup>1</sup> TSR Wireless LLC v. US West Communications, Inc., 15 FCC Rcd 1116 (FCC 2000), aff'd sub nom. Qwest Corporation v. FCC, 252 F.3d 462 (DC Cir. 2001).

Marlene H. Dortch, Secretary Federal Communications Commission July 1, 2005 Page 2

Of course, there is in fact no conundrum at all, because federal law always trumps inconsistent state law. What Qwest really is conceding, therefore, is that is has willfully failed and refused – over the course of the several years since §51.703(b) was first adopted, and since *TSR Wireless* was decided – to amend its state tariffs to conform to federal law. Whatever Qwest's obstinacy may otherwise portend about its good faith in this matter, it plainly does *not* create a conundrum as Qwest claims. Rather, since Qwest has refused to amend its state tariffs to conform to federal law, the state tariffs are simply unenforceable to the extent of such inconsistency. Qwest's attempt to predicate its current conduct on some alleged "conundrum" is, therefore, plainly wrong and no more than naked bootstrapping.

Qwest's letter is useful, however, principally for tacitly underscoring the essential points made by AAPC in its May 27<sup>th</sup> meeting. As Qwest acknowledges, one of the principal points made by AAPC in its meeting was that Qwest's unilateral action against paging carriers "is a good illustration of the unintended interpretation and consequences of [the *T-Mobile*] decision." (Alteration in original).

Although Qwest attempts to deflect this as a "misunderstand[ing of] what Qwest is doing," it goes on to specifically acknowledge that the "T-Mobile Decision gave Qwest additional impetus to correct" what it views as an "obviously unacceptable situation" arising out of the TSR Wireless decision (Emphasis partially added). Moreover, Qwest explicitly acknowledges that, unlike paging interconnection, the "T-Mobile Decision arose in the context of indirect interconnection, where the appropriate charges for transport and termination were the only issues to be resolved." (Emphasis partially added). If Qwest's own statements are not admissions that the T-Mobile decision is simply a pretext for Qwest's attempt to deal with a pre-existing, unrelated "problem," and thus that its conduct is an unintended consequence of the T-Mobile decision, then it is impossible to understand what its statements mean.

A second principal point made by AAPC in its meeting is that "permitting ILECs to request interconnection and impose compulsory arbitration on paging carriers gives ILECs unwarranted bargaining leverage" in pre-existing billing disputes spawned by §51.703(b) of the rules, because "the cost of arbitration easily can equal or exceed the value to the paging carrier of the billing dispute, and thus unfairly works to the ILECs advantage in negotiating a resolution of the dispute."

Qwest chooses in its  $Ex\ Parte$  letter to remain silent on this point, but has not done so in its communications with the paging carriers. In those communications it has explicitly threatened to "file for arbitration with the applicable state commission" in the event "negotiations [are] not . . . concluded within the timeframe set forth in the Telecommunications Act of 1996. Simply

<sup>2</sup> In so characterizing its conduct, Qwest again betrays its obdurate refusal to acknowledge §51.703(b) with respect to paging carriers. Contrary to Qwest's letter, what is "obviously unacceptable" is Qwest's willful and extended refusal to comply.

<sup>&</sup>lt;sup>3</sup> A specimen copy of Qwest's letter to paging carriers dated May 4, 2005, is attached hereto for the Commission's convenient reference.

Marlene H. Dortch, Secretary Federal Communications Commission July 1, 2005 Page 3

stated, Qwest is making abundantly clear in these communications, precisely as stated by AAPC in its May 27<sup>th</sup> meeting, that Qwest is using the potential cost of compulsory arbitration as leverage to try to force paging carriers to capitulate on their unrelated billing disputes with Qwest arising out of Qwest's pre-existing refusal to acknowledge or comply with §51.703(b) of the rules and the Commission's *TSR Wireless* decision.

Respectfully submitted,

s/Kenneth E. Hardman

Kenneth E. Hardman

Attorney for American Association of Paging Carriers

### Enclosure

cc: Ms. Tamara Preiss

Ms. Victoria Goldberg

Mr. Steve Morris Mr. Jay Atkinson

Mr. Peter Trachtenberg Ms. Nese Guendelsberger

Mr. Paul Murray



May 4, 2005



Announcement Date:

Effective Date:

Document Number:

Notification Category:

Target Audience:

Subject/Product Name:

May 4, 2005

Immediately

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Contract Notification

Select Wireless and Paging Customers

Wireless and Paging Interconnection - Type 1 and Type 2

Qwest is announcing changes to our service offerings for Wireless and Paging Type 1 and Type 2 Interconnection Customers to align with a recent Federal Communications Commission (FCC) ordered ruling. In its recent order In the Matter of Developing a Unified Intercarrier Compensation Regime (the T-Mobile matter), FCC 05-42, released February 24, 2005, the FCC clarified a preference for contractual arrangements for wireless termination arrangements by (i) prohibiting LECs from imposing compensation obligations for non-access CMRS traffic pursuant to tariff, (ii) amending its rules to clarify that a LEC may request interconnection from a CMRS provider and invoke the negotiation and arbitration procedures set forth in section 252 of the Act, and (iii) identifying state commission implemented or approved rates as the applicable interim rates once a LEC initiates the negotiation process. Effective April 29, 2005, the FCC provides no further guidance on implementation of these changes during this transition period.

In order to comply with the FCC's T-Mobile order, Qwest will commence action to withdraw any state tariffs for Wireless (including Paging) Type 1 and Type 2 Interconnection. However, Qwest will simultaneously offer continuing and comparable service via the attached Wireless or Paging Interconnection Agreement(s), as applicable, for both service categories. The proposed Agreement(s) align pricing with the state commission implemented or approved rate elements consistent with 47 C.F.R. 51.715. The proposed rates are set forth in the Agreement(s) attached to this notification.

In order to make this transition as seamless as possible for CMRS providers, Qwest will, on an interim current tariffed service to the interconnection arrangements set forth in the attached Agreement(s), with billing adjustments and credits effective as of April 29, 2005, the effective date of the T-Mobile order. Unless within thirty (30) days after the date of this letter requesting changes to the attached Agreement(s), Qwest will consider these interim arrangements accepted by traffic exchanged with Qwest and will file this notice and the attached Agreement(s) with the appropriate state commissions as the terms and conditions of the interim interconnection arrangement(s) between is not satisfied with the interim interconnection arrangements and provides written notice within thirty (30) days after the date of this letter, Qwest will engage in negotiations with interim interconnection arrangements with to complete deemed a formal request for negotiations between Qwest and For all purposes, this letter shall be C.F.R. 20.11, as revised by the FCC in the *T-Mobile* decision. The terms of the attached Agreement(s) are the terms and conditions of Qwest's template interconnection agreement which will be used for such Consistent with C.F.R. 20.11, the interim rates Note:

identified in this letter and attachments shall apply during the pendency of the interconnection negotiations. Should negotiations not be concluded within the timeframe set forth in the Telecommunications Act of 1996, Qwest may file for arbitration with the applicable state commission between the 135<sup>th</sup> and 160<sup>th</sup> day after the date of this letter.

If you have any questions or would like to discuss this notice please contact your Qwest Service Manager, on. Qwest appreciates your business and we look forward to our continued relationship under an appropriate interconnection agreement with

Sincerely,
Larry Christensen, Director
Interconnection Agreements
Qwest Communications

Sincerely,

Qwest

cc: Judy Rixe